

**BY-LAWS and
RULES OF ORDER
OF THE
COTTONWOOD
and CASINO CREEK
TELEPHONE CO.**



**Incorporated under the Laws of
Montana**

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Article I—Membership and Meetings

Section 1.—Membership.—Each member shall pay into the treasury of the Company a membership fee of one hundred dollars (\$100.00) for each telephone which he has, or intends to have connected with its lines or exchanges or shall furnish the equivalent of that amount in poles, wire or labor, said equivalent to be determined by the Board of Directors (and shall be required to sign the By-Laws).

Sec. 2.—Annual Meetings.—The annual meetings of the members of the Cottonwood and Casino Creek Telephone Company shall be held at an appointed place in the community, on the first Monday after the first Sunday in January of each year, at 1 o'clock p. m.

Sec. 3.—Special Meetings.—Special meetings of the members may be called by the President whenever he or the Board of Directors shall deem such action necessary; and such meetings must be called by him for any special purpose, upon petition of one-fourth of the number of the members.

Sec. 4.—Notice.—At least five days' notice, in writing, shall be given each member of the time and place of each annual meeting, and of the time, place and purpose for which the meeting is called in the case of special meetings.

Sec. 5.—Order of Business.—The order of business at any regular meeting shall be as follows:

1. Roll Call.
2. Reading and Adoption of Minutes of Last Meeting.
3. Reports of Officers.
4. Reports of Committees.
5. Election of Directors.
6. Miscellaneous Business.

Sec. 6.—Business of Special Meetings.—No business shall be transacted at a special meeting except that for which the meeting was called.

Sec. 7.—Quorum.—At any regular or special meeting, seven members shall constitute a quorum.

Sec. 8.—Vote.—At any annual or special meeting, each member shall have one vote on all questions. In case of a tie, the President shall cast the deciding vote. A majority vote of the members shall be necessary to carry any question.

Sec. 9.—Proxy.—Any member, unable to attend a meeting in person, may upon furnishing written authority, vote by proxy.

Article II—Directors

Section 1.—Number, Elections and Term.—The Board of Directors shall consist of five (5) members. The existing board to serve as follows:

Three (3) members to serve one year, or until successors are elected, and two (2) to serve two years, or until their successors are elected. The term of office shall be two (2) years.

Sec. 2.—Vacancies.—Vacancies on the Board of Directors may be filled by the remaining directors until the next annual meeting of the members, when a director shall be elected to serve for the unexpired term.

Sec. 3.—Executive Committee.—The Executive Committee of the Board of Directors shall be composed of the President, Secretary-Treasurer and one other Director, designated by the Board.

Sec. 4.—Meetings.—The Executive Committee shall meet at least once in six (6) months, and oftener if necessary, and meetings of the entire board shall be held at the call of the President.

Sec. 5.—Quorum.—Three (3) Directors shall constitute a quorum at any meeting of the board.

Sec. 6.—Election of Officers.—Immediately after the annual meeting of the members, the Board of Directors shall elect a President, Vice-President and Secretary-Treasurer, from their own number.

Sec. 7.—Appointment of Manager and Committees.—The Board of Directors shall appoint, and may dismiss for cause, a Manager, who may or may not be a member of the Company, or at their discretion, the Secretary-Treasurer may also be the Manager.

They may appoint committees on financing, construction, etc., and it shall be their duty once a year, at least 30 days before the annual meeting of the members, to appoint an Auditing Committee, to consist of three members of the Company who are not officers.

Sec. 8.—Salaries of Officers and Employees.—The board shall fix the salaries of officers and the wages of all other employees of the Company.

Sec. 9.—Seal.—The board may devise and adopt a seal, and cause the same to be affixed to all documents whereto the Company is a party.

Sec. 10.—Recall.—Any Director for just cause set forth at any annual meeting or special meeting called for that purpose, may be removed from office by a two-thirds vote. Such Director shall be informed in writing of the charges made against him, at least 10 days before the date of such meeting, and shall have an opportunity to be heard in person, by counsel, and by witnesses in regard thereto.

Article III—Officers

Section 1.—Term.—Each officer, other than directors, elsewhere provided for, unless removed by a two-thirds vote of the board, shall hold office for one year or until his successor has been elected.

Sec. 2.—Duties of the President.—The President shall preside at all meetings of the members and of the board, shall sign, execute and deliver all legal papers pertaining to the business or property of the Company; shall sign all notes, certificates of stock, etc., and shall perform such other duties as the board may direct.

Sec. 3.—Duties of the Vice-President.—In the absence or disability of the President the Vice-President shall act.

Sec. 4.—Duties of the Secretary-Treasurer.—The Secretary-Treasurer shall attend all the meetings of the members and of the Board of Directors, and shall keep in books provided for that purpose, a correct record of the proceedings of each meeting. He shall keep the books of the blank certificates of stock; fill out and countersign all certificates issued; and make the corresponding entries on the stub of each certificate.

He shall keep a proper transfer book, and a stock ledger showing the number of such shares issued to, and transferred by the members.

He shall receive all moneys paid to the Company and shall give his receipt therefor, and shall pay out the same under the direction of the board; shall keep in a suitable book an accurate account thereof, and make a detailed report in writing at the annual meeting of the members, and at such other time as the board may designate.

He shall make all reports and serve all notices required by the directors, or by law, or by these By-Laws.

He shall be custodian of all the records and papers of the Company; shall have charge of and affix the Company's seal to all such documents as require attestation; and shall countersign all notes, checks and other papers.

At the expiration of his term of office, he shall turn over to his successor the property of the Company in his hands and take his receipt therefor.

Sec. 5.—Duties of the Manager.—The Manager shall have charge of the operation, inspection and maintenance of the lines, and equipment of the Company, under the general direction of the board.

He shall appoint and may discharge all operators and other employees necessary for the proper conduct of the Company's business, and such operators or employees may or may not be members of the Company.

Article IV—Committees

Section 1.—Duties of Auditing Committee.—It shall be the duty of the Auditing Committee to meet at least two weeks before the annual meeting of the members. They shall make a thorough examination of the records and accounts of the officers for the preceding year and shall make a report thereon at the annual meeting.

Sec. 2.—Duties of other Committees.—It shall be the duty of any other committee appointed to perform such other work as may be assigned to it by the board, and to make report thereof at the annual meeting next following.

Article V—Issuance and Transfer of Stock

Section 1.—Issuance.—All applications for membership shall be submitted with the recommendations of Secretary-Treasurer and Manager, to the Board of Directors for its approval before any share shall be issued to the applicant.

Sec. 2.—Certificates.—The certificates of stock of this Company shall be issued in such form, and at such time, as the Board of Directors may designate. Such certificates shall be signed by the President and countersigned by the Secretary-Treasurer, and shall bear the seal of the Company. They shall exhibit the holder's name, the date of issuance and the par value of the share.

Sec. 3.—Transfer.—It is the opinion of this Company the ownership of shares of stock herein, is for the service of persons owning land in the territory served by the telephone line of this Company, and to that end it is provided that upon the transfer of the land holdings so served by such telephone, that the share of stock issued to the former owner shall automatically pass to the new owner; provided, however, that the new owner shall acquire the said share of stock burdened with any unpaid assessment or indebtedness to the Company.

It is further provided that the Company shall have and is hereby vested with a lien upon any share of stock for any indebtedness of any nature due from the shareholder to the Company.

Article VI—Finances

Section 1.—Fiscal Year.—The fiscal year of this Company shall commence on January 1st and end on December 31st of each year.

Sec. 2.—Assessments.—In January of each year the directors shall estimate the financial requirements of the Company and are hereby vested with power to levy a pro-rata assessment upon the stockholders of the Company for a sum sufficient to meet such requirements; provided, however, that should the said assessment prove to be inadequate, the board may at any time during the year levy such further assessment as may be necessary.

Sec. 3.—Such assessment shall be made in one payment, unless otherwise provided by the directors and shall be due when announced. In no case shall a member be allowed more than six months' service and that at the option of the board after the assessment is due.

In addition to the lien upon the stock of any person owing money to the Company, the Company shall have the right, through the Board of Directors, to institute action for the recovery of the stock, advertising by the posting of notices in three public places giving the time and place

of sale, a notice of sale of stock for delinquency. The board shall be authorized to bid the stock in for the Company and thereby retire the same, bidding therefor such price as they may see fit. Any remainder may be recovered as aforesaid; provided, however, that should any person at such sale purchase said shares of stock for use at some inconvenient point off the line of this Company, that he shall not have the right by virtue of his purchase to demand an unreasonable expenditure of money, or any sum deemed unreasonable by the board for the extension to him of the telephone service.

Sec. 4.—Tenants.—Any tenant leasing the telephone of a non-resident member of the Company, shall be charged the same rate as the shareholder's, providing all previous assessments on that telephone have been paid.

Sec. 5.—Tenants on Property of Delinquent Shareholders.—The directors shall have the power to furnish telephone service to tenants occupying property of delinquent shareholders, at a rate of rental fixed by directors.

Sec. 6.—Delinquent Members.—Delinquent shareholders shall be charged their pro-rata cost of maintenance and operation of line but shall not be charged for batteries nor exchange service while being disconnected from the telephone line. They shall not be charged for such period of time as telephone is leased and paid for by a tenant.

Sec. 7.—System of Accounting.—The accounts of this Company shall be kept in accordance with the rules laid down by the Interstate Commerce Commission and of the State Commission having jurisdiction over the business of telephone companies.

Sec. 8.—Power to Borrow Money.—The Board of Directors shall have power to borrow money, at its discretion, not exceeding the total sum of \$250.00. Loans in excess of that amount must have the consent of two-thirds of the members at any regular or special meeting.

Article VII

Section 1.—General Calls.—A general call for all members (six rings) may be made at any time by any member having information of particular value to all. This privilege, however, must be used sparingly.

Sec. 2.—Time Allowance.—No person shall be allowed the use of the line for more than five minutes if another party is waiting to use it.

Sec. 3.—Precedence of Calls.—Ordinary conversation may be interrupted when the use of the line is required for the transmission of business or professional messages. In such cases the use of the line should be courteously requested.

Sec. 4.—Improper Language.—No abusive, profane or obscene language shall be used over the lines of this Company.

Sec. 5.—Listening In.—No person shall take down the receiver for the purpose of listening to a conversation which is not intended for him. If the receiver is taken down and the line is found to be busy, it should be immediately replaced, except in case of an urgent business or professional call.

Sec. 6.—Enforcement.—It shall be the duty of each member to see that the provisions of this article are rigidly enforced and to report any and all violations to the Manager.

Article VIII—Penalties

Section 1.—Delinquent Assessments.—Any stockholder or any person leasing a telephone from this Company who fails to pay assessment or rental services within the period of grace extended by the directors, shall have his telephone disconnected from the line and such service shall not be reinstated except upon payment of all delinquencies, plus the \$2.00 installation charge.

Sec. 2.—Interest at the rate of 10 per cent may be charged on delinquent assessments.

Sec. 3.—Unused Spurs.—Any spur or terminal section of the line which remains idle and on which assessments remain unpaid for a period of three years, may be permanently cut off from the line or may be removed or otherwise disposed of by the directors.

Article IX—Amendments

Section 1.—These By-Laws may be amended by a two-thirds vote of all the members present at any regular meeting, or at any special meeting called for that purpose, a quorum being present, 10 days' notice of such proposed amendment being given each member in writing.

Article X

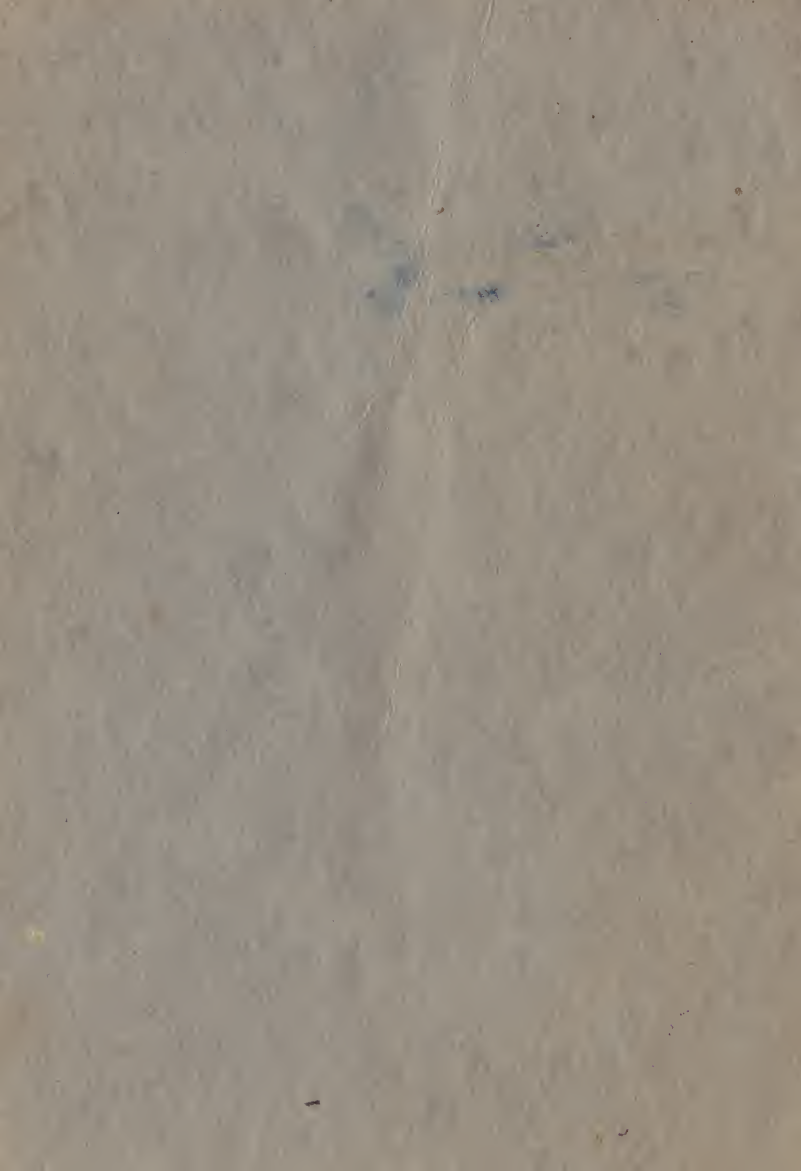
Section 1.—These By-Laws shall constitute a contract among the stockholders of this Company and no transfer

of stock shall be valid, nor shall any certificate of stock be issued to any stockholder or persons except upon his signing the said By-Laws at the end thereof and such assent signifies his contract with regard thereto; or he shall file with the Secretary a written statement of assent to the By-Laws.

Article XI

This Company having been incorporated so as to provide for twenty shares of stock and it being necessary or probably necessary that more than twenty stockholders be brought into the Company, it is accordingly provided that the word "share of stock" wherever heretofore written in By-Laws of this Company, shall be construed to mean one-half share of stock, thus forming a maximum of forty units for distribution as may be needed.





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